

Committees:	Date
Policy and Resources - for decision	19 November 2020
Subject Bridge House Estates: Policing the Bridges	Public
Does this proposal require extra revenue and/or capital spending?	Yes
If so, how much?	£56,000
What is the source of Funding?	BHE Unrestricted Income Fund
Has this Funding Source been agreed with the Chamberlain's Department?	Yes
Report of The Chamberlain	For decision
Report Author Karen Atkinson (Head of Charity & Social Investment Finance)	

Summary

This report addresses a request to the City Corporation as trustee of Bridge House Estates (BHE: registered charity no: 1035628) from the Police Authority Board (PAB) on behalf of the City of London Police (CoLP) for an increase in annual funding for CoLP from Bridge House Estates by £56,000 to £298,000 per annum. The request by the CoLP is within the criteria for funding by BHE.

In considering whether or not to expend the funds as requested by CoLP, the City Corporation as sole trustee of BHE, must ensure that the expenditure is compliant with the duty on the City Corporation to act in the best interest of BHE (see Appendix 1 for a summary of the principal duties and responsibilities of charity trustees).

The report advises that CoLP have satisfactorily demonstrated that the annual sum requested reflects the actual costs of policing the bridges. The report further advises that the expenditure is within the City Corporation's powers as sole trustee of BHE, and that the request be agreed subject to a review period of 5 years and the provision of a framework agreement to manage service expectations.

Recommendations

Acting for the City of London Corporation as trustee of Bridge House Estates (charity registration no: 1035628), should it be considered to be in the best interests of the charity and the charity's beneficiaries, Members of the Policy and Resources Committee are asked to:

- i. To approve an increase in funding by £56,000 to £298,000 per annum from BHE unrestricted income funds from 2020/21, subject to an annual increase in future years in line with pay awards and inflation to be confirmed in November of each year, ahead of the relevant financial year, to fund the cost of policing the City Bridges;

- ii. To agree that this sum and the services provided be subject to regular review, with a formal review after 5 years; and
- iii. To approve the production of a framework agreement between BHE and CoLP that sets out each of the services to be provided.

Main report

Background

1. At the meeting of the PAB on 3rd September 2020, it was recommended that Members approve an approach to BHE for increased funding to cover the actual cost of the service provided in policing the five City Bridges owned by the charity.
2. In 2017, RASC/P&R approved annual funding of £214,000 to cover the cost of the above policing services. Since this date, it has been recognised that previous estimates understated the actual total costs of officers. An increase in employer pension contributions had also not been factored into the costs requested. The amounts recharged to BHE exceeded the approved amount in financial years 2017/18 - 2019/20 as a result.
3. The request recommended by PAB addresses the funding gaps identified. Members should note that the request from PAB is effective for the current financial year (2020/21), with a subsequent increase in funding being requested from BHE of £56,000.

Current position

4. A recent Law Officer's Opinion confirmed that in respect of London Bridge, Blackfriars Bridge and Southwark Bridge, there was a duty on BHE to fund the policing of those three bridges. In respect of Tower Bridge and the Millennium Bridge, it is open to the City Corporation as trustee of BHE to fund the policing of those bridges on the grounds that such activity contributes to the "maintenance and support" of those bridges, which is the primary purpose of BHE, subject to the City Corporation as trustee being satisfied that such funding is in the best interests of the charity.
5. Following clarification within the Law Officer's Opinion, the then named Police Committee approached BHE in January 2017 for annual funding of £214,000 which was approved by P&R. Subsequent to this, the CoLP have recharged amounts in excess of the approved funding. Due to this, CoLP were requested by BHE to review the services being provided in relation to the five City Bridges and provide a revised request for funding.

Evaluation

6. The Chamberlain, through the Head of Charity and Social Investment Finance, acting for BHE, has reviewed the estimated costs summary and assumptions

provided by CoLP in the report to PAB and is satisfied that they represent reasonable expenditure. Members should note that a full review of traffic and parking enforcement across the City is currently in progress, and if there is any income due relating to this service, the recharge will be reduced accordingly.

7. In respect of London Bridge, Blackfriars Bridge and Southwark Bridge, payment by BHE of the costs of policing those bridges would be compliant with BHE's statutory duties. In respect of Tower Bridge and the Millennium Bridge, expenditure on policing those bridges can reasonably be regarded as contributing to the maintenance and support of the bridges. The payment in respect of Tower Bridge and the Millennium Bridge is considered in the best interests of BHE (including the reputation of the charity) in order to ensure that the level of policing services appropriate to the bridges, including an adequate level of support to social services provision, can be maintained.
8. Members should note that a separate recharge is made by the CoLP to BHE for traffic and speed enforcement, currently set at £92,000 per annum. A separate review is underway by the CoLP covering all aspects of traffic and parking enforcement across the City.
9. To ensure that the services provided by the CoLP are in the best interests of the charity, it is proposed that a framework agreement is developed between BHE and CoLP that sets out the expectations for each for the services provided.

Corporate and Strategic Implications

10. Strategic implications: this proposal supports the aims and objectives of BHE's overarching strategy, Bridging London 2020 – 2045, which was approved by the Court of Common Council in October 2020. In particular, it will support the achievement of being a world-class bridge owner and responsible leader.
11. Security implications: this proposal seeks to provide funding for policing the bridges; thus aiming to mitigate any security issues on the bridges.
12. Financial implications: this proposal increases the draw upon the unrestricted income funds of BHE, so reducing the amount available for charitable funding via the City Bridge Trust. However, as confirmed in the Law Officer's Opinion, there is a BHE duty to fund the policing of three of the bridges, and the funding in respect of the other two is within BHE's primary purpose. Expenditure in meeting BHE duties and its primary purpose of maintenance and support of the bridges must take precedence over the allocation of surplus funds for the ancillary purpose for City Bridge Trust activities.
13. Resource implications: nil implications for BHE.
14. Legal implications: these are included in the report.
15. Risk implications: the City Bridges of BHE include iconic sites within London which require appropriate policing. CoLP have highlighted the risks associated with this in their report to PAB.

16. Equalities and resources implications: nil implications for BHE.

17. Climate implications: nil implications for BHE

Conclusion

18. It is open to BHE to provide annual funding of £298,000, subject to future increases to be agreed on an annual basis, to cover the costs of policing the five City Bridges. This revenue expenditure, funded from the unrestricted income fund of BHE, is recommended for approval.

Appendices

- Appendix 1 – Summary of the principal duties and responsibilities of charity trustees

Karen Atkinson

Head of Charity & Social Investment Finance

E: karen.atkinson@cityoflondon.gov.uk